



# **PICK-SLOAN MISSOURI BASIN PROGRAM CUSTOMER RATE BROCHURE**

## **PROPOSED FIRM ELECTRIC SERVICE RATE ADJUSTMENT**

**JUNE 2003**

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## **Materials Posted on Website**

<http://www.wapa.gov/ugp/rates/2004RateAdj/Default.htm>

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## I. INTRODUCTION

This brochure provides information on Western Area Power Administration's (Western) proposed firm power rate adjustment for the Pick-Sloan Missouri Basin Program (P-SMBP). The rate adjustment procedures are outlined in Appendix A to this brochure.

The Fiscal Year (FY) 2002 repayment analysis for the P-SMBP indicates a need to adjust the existing firm electric service rates. To meet those requirements, the Pick-Sloan Missouri Basin Program-Eastern Division (P-SMBP-ED) and the Loveland Area Projects, which includes Pick-Sloan Missouri Basin Program-Western Division (P-SMBP-WD), have proposed rate adjustments.

The Loveland Area Projects rate adjustment has been proposed in a separate public process. The proposed P-SMBP-ED firm electric service rates are as follows:

<b>Firm Electric Service</b>	<b>Existing Rates</b>	<b>Proposed Rates</b>	<b>Percent Change</b>
P-SMBP-ED Revenue Requirement	\$135.2 million	\$159.2 million	17.8%
P-SMBP-ED Composite Rate	14.23 mills/kWh	16.42 mills/kWh	15.4%
Firm Capacity	\$3.20/kW month	\$3.70/kW month	15.6%
Firm Energy	8.32 mills/kWh	9.57 mills/kWh	15.0%
Tiered > 60 Percent Load Factor	3.38 mills/kWh	7.23 mills/kWh	113.9%
Firm Peaking Capacity	\$3.20/kW month	\$3.70/kW month	15.6%
Firm Peaking Energy 1/	8.32 mills/kWh	9.57 mills/kWh	15.0%

1/ Firm Peaking Energy is normally returned. This rate will be assessed in the event Firm Peaking Energy is not returned.

The proposed rate adjustment is scheduled to become effective on an interim basis on the first day of the January 2004 billing period.

Although a one-step rate adjustment method is the option being proposed, Western is interested in receiving comments on a two-step rate adjustment option. Under a two-step method, the rates for P-SMBP-ED firm electric service will result in an overall composite rate increase of approximately 12.3% effective on January 1, 2004, and another 3.3% effective on October 1, 2004, for a total increase of approximately 15.6%. The rates under this two-step option for P-SMBP-ED firm electric service are as follows:

<b>Firm Electric Service</b>	<b>Existing Rates</b>	<b>First Step Rates Jan. 1, 2004</b>	<b>Percent Change</b>	<b>Second Step Rates Oct. 1, 2004</b>	<b>Percent Change</b>
P-SMBP-ED Revenue Requirement	\$135.2 million	\$154.9 million	14.6%	\$159.5 million	3.4%
P-SMBP-ED Composite Rate	14.23 mills/kWh	15.98 mills/kWh	12.3%	16.45 mills/kWh	3.3%
Firm Capacity	\$3.20/kW month	\$3.60/kW month	12.5%	\$3.71/kW month	3.4%
Firm Energy	8.32 mills/kWh	9.31mills/kWh	11.9%	9.58mills/kWh	3.3%
Tiered > 60 Percent Load Factor	3.38 mills/kWh	7.23 mills/kWh	113.9%	7.23 mills/kWh	0.0%
Firm Peaking Capacity	\$3.20/kW month	\$3.60/kW month	12.5%	\$3.71/kW month	3.4%
Firm Peaking Energy 1/	8.32 mills/kWh	9.31mills/kWh	11.9%	9.58 mills/kWh	3.3%

1/ Firm Peaking Energy is normally returned. This rate will be assessed in the event Firm Peaking Energy is not returned.

The major factors contributing to the proposed rate adjustment are the economic impact of the drought, increased operation and maintenance (O&M) and other annual expenses, increased investments, and increased interest expense associated with deficits. Detailed discussions of these factors are included in Section II below.

## **II. PICK-SLOAN MISSOURI BASIN PROGRAM POWER REPAYMENT STUDY**

A power repayment study (PRS) for the P-SMBP is prepared annually by Western with the cooperation of the Bureau of Reclamation (Reclamation) and the Corps of Engineers

(Corps). Basic river basin hydrology, water depletions, power generation, and project development data and cost information are among the contributions made by Reclamation and the Corps. Power repayment studies are prepared in accordance with authorizing legislation and with Department of Energy (DOE) Order No. RA 6120.2 (Power Marketing Administration Financial Reporting).

The PRS is used to determine if power revenues are sufficient to pay all project costs allocated to power for repayment within the appropriate repayment period. The PRS first applies revenue to payment of total annual expenses (O&M, purchased power and transmission, and interest). Next, revenues are applied toward investments in the following order: required payments (payments at the end of their repayment period), deficits (capitalized expenses and required payments from years when revenues did not cover all expenses), and discretionary principal payments (payments on investments that are not at the end of their repayment period). Discretionary principal payments are generally made first to investments having the highest interest rate. For more information on Western's rate setting procedures, see the Power Rate Setting & Repayment Brochure at <http://www.wapa.gov/ugp/rates/2004RateAdj/information.htm>.

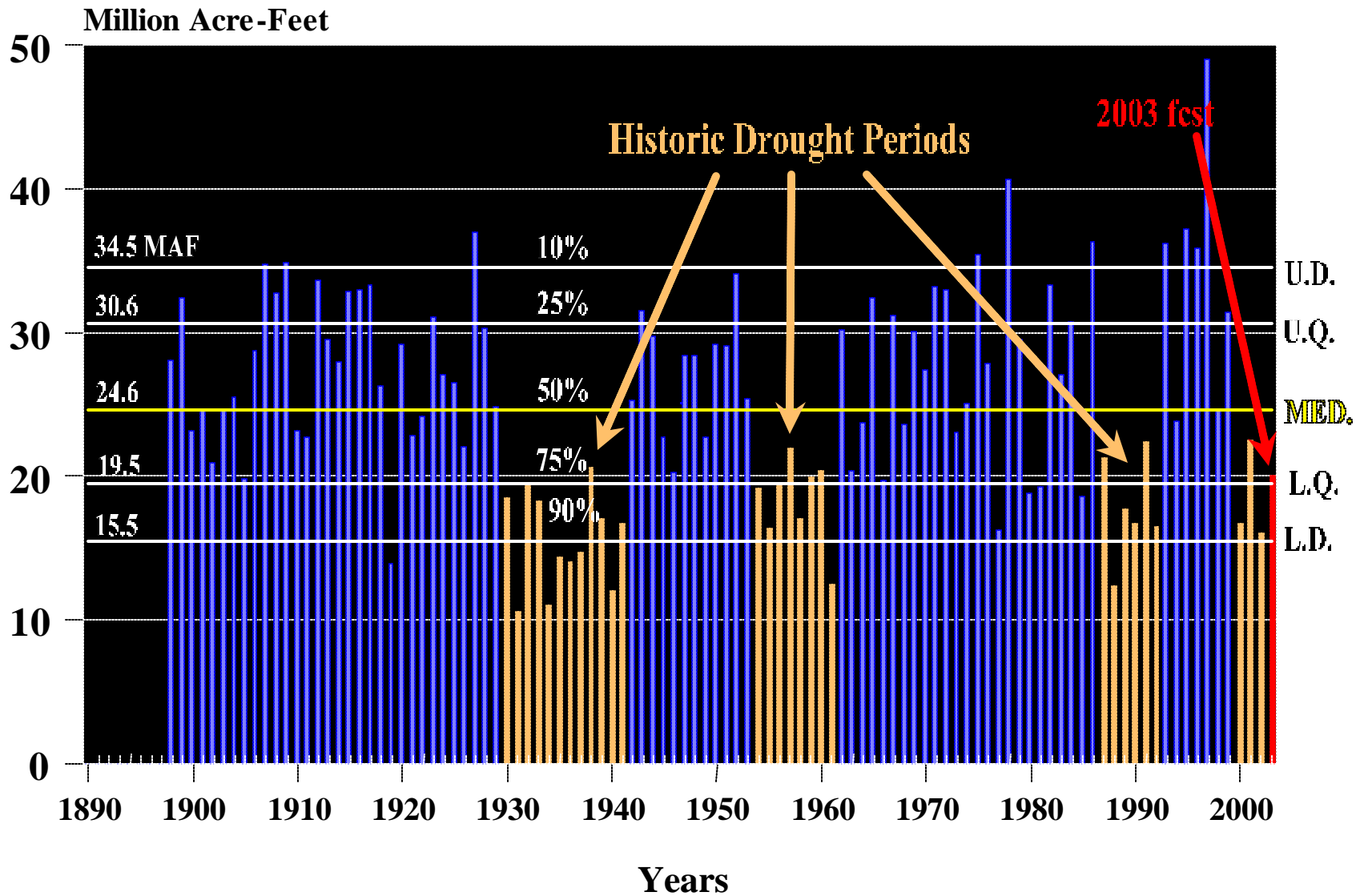
The following is a discussion of the factors putting upward pressure on the firm power rate.

#### 1. Drought

The Missouri River Main Stem, which is the portion of the river basin associated with the P-SMBP-ED, is in its 4<sup>th</sup> year of drought, which has resulted in reduced hydro-power

generation. Reduced generation causes purchased power expense to increase and revenue from non-firm energy sales to decrease. The graph on the following page shows the Missouri Main Stem Runoff at Sioux City, IA, including the historic drought periods. Note that the last drought period was from 1987 through 1992. There were P-SMBP rate increases every year from 1989 through 1992, in addition to the rate adjustment in 1994. In general, rate increases are directly related to periods of drought.

# Missouri River Main Stem Annual Runoff at Sioux City, Iowa





The Pick-Sloan Missouri Basin Program-Western Division (P-SMBP-WD) is also experiencing drought, although it is less severe than it was last year due to spring snow storms in the mountains and rain at lower elevations. Reservoir inflows were varied in the Western Division from October 2002 through May 2003: 122% of average for the Colorado-Big Thompson Project, 62% in the North Platte Basin, and 83% in the Bighorn Basin. The combined Western Division reservoir inflow was 82% of average from October 2002 through May 2003. The resulting Western Division reservoir storage at the end of May 2003 was 72% of average. Assuming normal precipitation and temperatures in the Western Division for the remainder of FY 2003, the reservoir inflows for FY 2003 will be 72% of average. The resulting Western Division reservoir storage will be 64% of average at the end of FY 2003.

## 2. O&M and Other Annual Expenses

Because the last rate adjustment was effective October 1, 1994, normal inflation has increased O&M costs. The routine O&M in the “out-year” in the current PRS has increased approximately 29% over the routine O&M in the “out-year” in the PRS that set the October 1, 1994, rate. However, when you divide this increase by 9 years (the approximate amount of time since the last rate increase), the average annual increase in O&M was 3.2%. In comparison, from 1993 to 2002 the employment cost index for civilian employees, which includes wages and benefits for federal employees, increased an average of 3.4% per year. In the Preliminary FY 2003 Rate Setting PRS, the O&M costs in FY 2005 through FY 2008 have been escalated at 3% per year.

The following table summarizes the other annual expenses that have changed in the PRS since the last rate adjustment.

<b>Annual Expense</b>	<b>FY 93 Rate Setting PRS</b>	<b>FY 03 Rate Setting PRS</b>	<b>Difference</b>
Transmission Expense	\$10.1 million	\$13.4 million	\$3.3 million
Unrecovered Employee Benefits	\$0	\$4.3 million	\$4.3 million
CME Depreciation	\$0	\$5.4 million	\$5.4 million

Transmission expense, including transmission discounts, has increased since the last rate adjustment. This increase has been due in part (\$500,000 per year) to the power function paying for transmission to irrigation loads. The rest of the increase is due to normal inflation in costs as well as moving from taking service under old transmission agreements to taking service under Open Access Transmission Tariffs.

Unrecovered employee benefits include payments for employee health and life insurance benefits for Western as well as for Reclamation and the Corps. CSRS costs were included in the FY 93 Rate Setting PRS, but these employee benefits were not.

Depreciation on capitalized moveable equipment (CME) became an annual cost in the PRS as a result of an audit finding. It is projected for the first 10 future years in the PRS.

### 3. Power Investment

To compare power investment (replacements and additions) in the current PRS with the power investment in the last rate setting PRS, the cumulative investment in the year 2092 should be compared in both studies since that was the last year in the FY 93 Rate Setting

PRS. In the earlier study, cumulative power investment in 2092 was \$4.626 billion. In the current rate setting PRS, cumulative power investment is \$4.504 billion in the year 2092. Therefore there has been a net decrease in cumulative power investment of approximately \$122 million through 2092. This is due mainly to a decrease in replacement projections. The Preliminary FY 2003 Rate Setting PRS includes power investments through 2102. The investments in these additional 10 years add approximately \$153 million to cumulative power investments. Therefore, the net increase in cumulative power investments between the two studies is approximately \$31 million.

#### 4. Deficits and Interest Expense

P-SMBP has incurred significant deficits due to the drought increasing purchased power expense and decreasing non-firm sales revenue. Approximately \$120 million in capitalized deficits have accrued in FY 2001 and FY 2002. Based on current hydrological forecasts, an additional \$78 million in deficits is projected to accrue in FY 2003 and FY 2004 for cumulative deficits of approximately \$198 million. Deficits are capitalized each year at the interest rate in effect in that year (5.5% - 6.25%). In the current PRS, the P-SMBP incurs approximately \$71 million in interest expense on the deficits associated with the current drought. This interest expense gradually decreases as Western repays the deficits. In the current PRS, it is projected that deficit repayment will begin in FY 2005 and end in FY 2011.

### III. PICK-SLOAN MISSOURI BASIN PROGRAM-EASTERN DIVISION FIRM ELECTRIC SERVICE RATES

The current rates, \$3.20 per kilowattmonth (kWmo) and 8.32 mills per kilowatthour (mills/kWh), were placed in effect in the October 1994 billing period and approved by the under Federal Energy Regulatory Commission (FERC) on a final basis on July 14, 1994, FERC Docket No. EF94-5181-000 (68 FERC 62,040). These rates were originally set to expire on January 31, 1999, but have been extended several times. The rates are currently set to expire on March 31, 2004.

A. Proposed P-SMBP-ED Firm Electric Service Rates: The P-SMBP-ED firm electric service rates were developed from the revenue requirement calculated in the Preliminary FY 2003 Power Repayment Study for the Pick-Sloan Missouri Basin Program. The proposed rates are \$3.70 per kWmo for firm capacity and 9.57 mills/kWh for energy, and are to be implemented in the first full billing period beginning on or after January 1, 2004.

1. Revenue Requirement: The present annual revenue requirement for P-SMBP-ED firm power is \$120.8 million, and is based on the current firm P-SMBP-ED composite rate of 14.23 mills/kWh and projected energy sales of 8,479 GWh. The proposed revenue requirement for P-SMBP-ED firm power is \$143.2 million, which is based on the proposed firm P-SMBP-ED composite rate of 16.42 mills/kWh and projected energy sales of 8,721 GWh. Energy sales have increased since the last rate adjustment due to two factors. First, firm power customers' load factors have increased mainly due to customers

moving to fixed demand and energy contracts with higher load factors.

Second, firm peaking power Contract Rates of Delivery (CROD), which have no firm energy associated with them, were subject to the 4% withdrawals for the Post-2000 Resource Pool. When the Post-2000 Resource Pool was allocated, the withdrawals from peaking power were converted to firm power allocations which Western must support with firm energy.

There are two other components to the P-SMBP-ED revenue requirement.

The first is the 5% voltage discount, which is \$6.2 million. This is calculated by multiplying 5% by the percentage of gross revenue that is discounted (86.8%) by the firm revenue requirement of \$143.2 million. The second is the firm peaking revenue requirement which is \$16.0 million. This is calculated by multiplying the monthly firm peaking CRODs by 12 months by the proposed capacity rate of \$3.70/kWmo.

The total P-SMBP-ED revenue requirement is \$165.4 million.

2. Rate Design: The proposed P-SMBP-ED firm electric service rate is designed to recover 50% of the revenue requirement from the capacity rate and 50% from the energy rate. The capacity rate of \$3.70 per kWmo is calculated by dividing 50% of the total annual revenue requirement by the number of billing units (kWmo) in a year. The energy rate of 9.57 mills/kWh is calculated by dividing 50% of the total annual revenue requirement by the annual energy sales. The capacity rate is applied to both firm power and firm peaking

power. The energy rate is applied to firm energy and firm peaking energy that is not returned to Western.

3. Firm Peaking Rate: The P-SMBP-ED firm peaking rate is equal to the capacity charge for the firm power rate. The customer pays the capacity rate on their total firm peaking CROD each month rather than firm peaking delivered each month. Contract terms vary among firm peaking customers with respect to return of peaking energy. One customer returns all peaking energy, while the other peaking customers may pay for 20% to 40% of the peaking energy they use and return the rest to Western. When a peaking customer keeps peaking energy, they pay for it at the firm energy rate.
  
4. Tiered Rate: The tiered rate was last adjusted in 1982. This rate is applied to energy in excess of 60% load factor. The capacity allocated in the P-SMBP-ED Marketing Plan can only be supported by approximately 60% load factor energy in an average year; therefore Western must purchase energy in excess of this. The tiered rate is intended to recover Western's costs of purchasing this energy. The current and proposed tiered rate calculations are shown in the following tables.

**Current Tiered Rate Calculation (3.38 mills/kWh)**

Month	Corps Generation (GWH)	Plus Reclamation Generation (GWH)	Less Plant Use (GWH)	Total Generation Less Plant Use (GWH)	Divided By 1.07 Losses (GWH)	Average Load (GWH)	Purchases (GWH)
November	837	80	4	913	853	712	0
December	808	81	5	884	826	806	0
January	740	80	6	814	761	866	105
February	639	74	5	708	662	784	122
March	673	82	5	750	701	673	0
Total	3,697	397	25	4,069	3,803	3841	227

227 GWH @ 14.4 mills/kWh off-peak purchase price = \$3,268,800 tiered rate revenue requirement

\$3,268,800 tiered rate revenue requirement / 967 GWH per year tiered energy =  
**3.38 mills/kWh tiered rate**

**Proposed Tiered Rate Calculation (7.23 mills/kWh)**

Month	Corps Generation (GWH)	Plus Reclamation Generation (GWH)	Less Plant Use (GWH)	Total Generation Less Plant Use (GWH)	Divided By 1.07 Losses (GWH)	Average Load (GWH)	Purchases (GWH)
November	959	80	4	1,035	967	733	0
December	759	81	5	835	780	833	53
January	732	80	6	806	753	869	116
February	629	74	5	698	653	842	189
March	517	82	5	594	555	750	195
Total	3,596	397	25	3,968	3,707	4,027	553

553 GWH @ 14.4 mills/kWh off-peak purchase price = \$7,963,200 tiered rate revenue requirement

\$7,963,200 tiered rate revenue requirement / 1,101 GWH per year tiered energy =  
**7.23 mills/kWh tiered rate**

Western's analysis shows that purchases for firm energy in excess of 60% load factor have more than doubled. Approximately half of the increase is due to average generation decreasing, and the other half is due to average loads increasing. Average generation has decreased because more drought years are included in the current calculation. Average loads have increased because the majority of Western's customers changed their contract terms from "X over Y" load patterns to fixed demand and energy since the last adjustment to the tiered rate. In fixing demand and energy amounts, customers chose historical load patterns that yielded the greatest demand and/or energy benefit. These choices resulted in higher monthly firm energy commitments for Western.

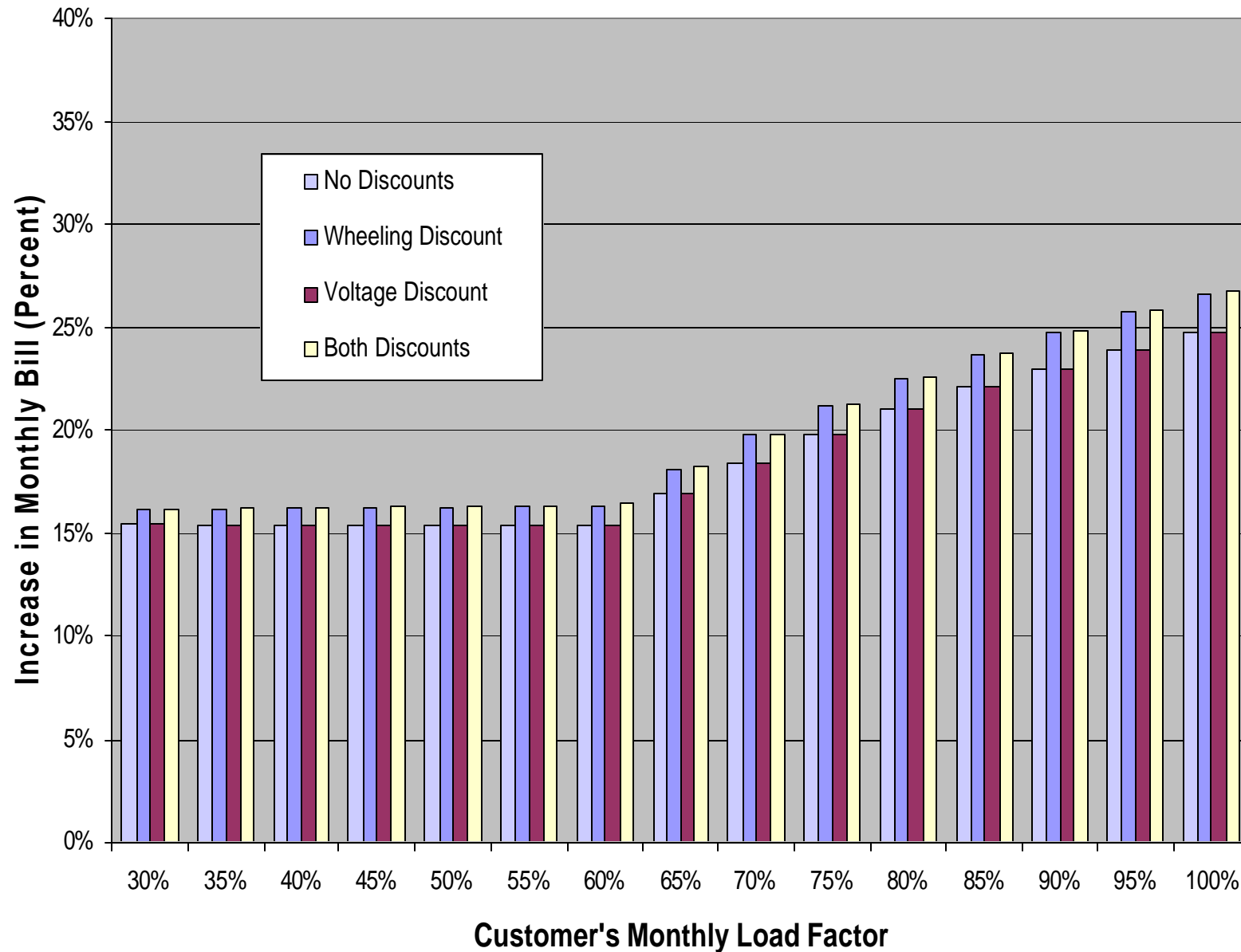
**B. Impact to Customers of Proposed P-SMBP-ED Firm Electric Service Rate**

Adjustment: The graphs on the following pages show the impact of the proposed rate adjustment to firm power customers. The first graph shows the impact in terms of percentage increase in monthly bill. It shows that the rate impact is just over 15% for those customers with monthly load factors (MLF) at or below 60%, but is higher for those customers with MLF above 60%. The increases above 60% MLF represent the increases due to the change in the tiered rate. The second graph shows that in terms of the effective rate for average monthly energy, those customers with a higher load factor have a lower effective rate when compared to lower load factor loads, even with the increase in the tiered rate. This is because the capacity charge is the same regardless of load factor, so it is spread over more kilowatthours as load factor increases.



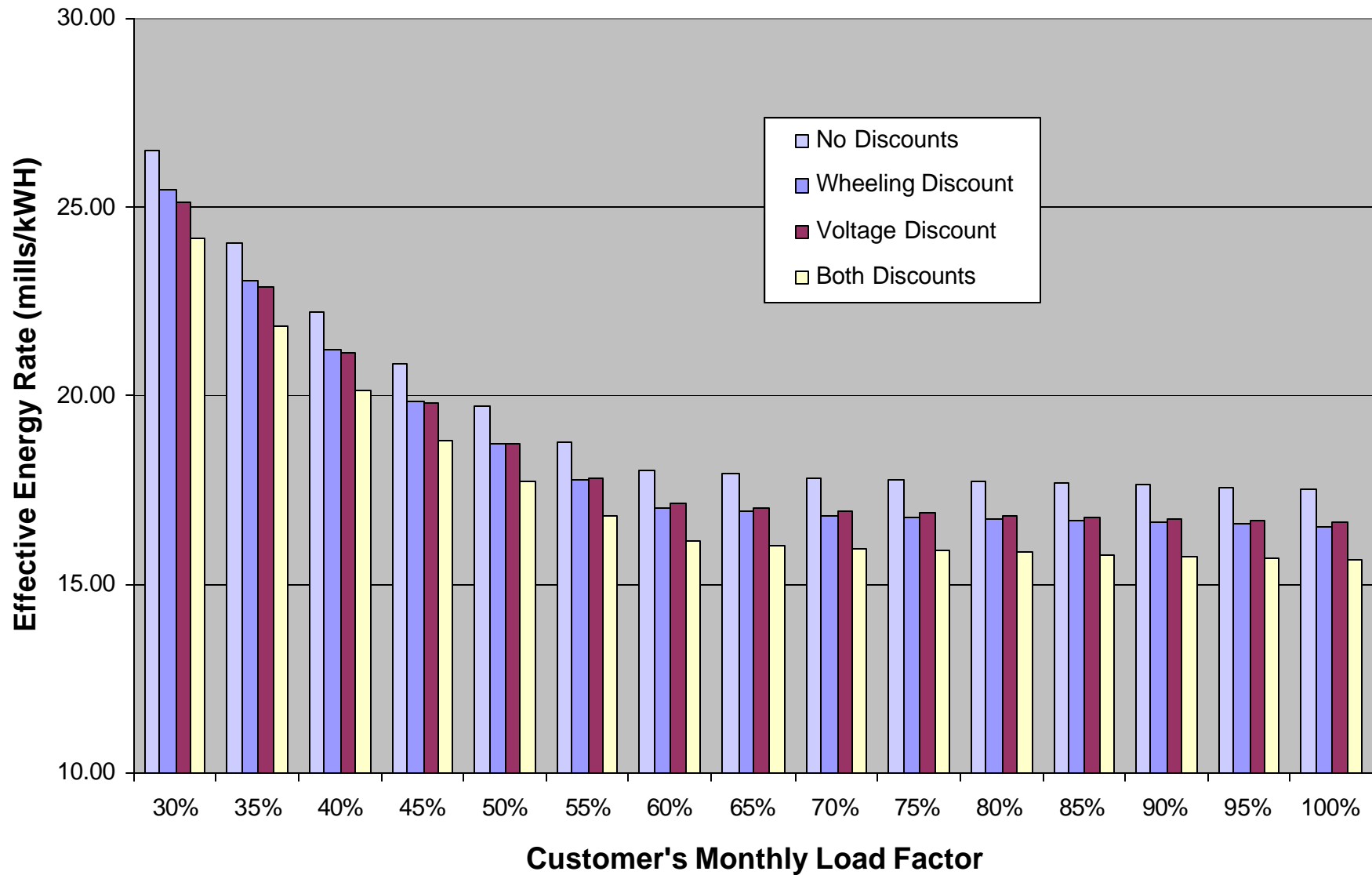
# Impact of FY2004 Rate Adjustment

(Percent Increase in monthly bill)



# Impact of FY2004 Rate Adjustment

(Effective Energy Rate)



## **APPENDIX A**

## **RATE ADJUSTMENT PROCEDURES**

Western's rate adjustment procedures are governed by the "Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions" (10 CFR Part 903). These procedures give interested parties an opportunity to participate in the development of power rates.

- I. Notice of Proposed Rate and Consultation and Comment Period: Initially, a notice of the Proposed Rate and official time for public participation must be published in the Federal Register. This title of this notice is Proposed Rates for Pick-Sloan Missouri Basin Program-Eastern Division, and establishes a consultation and comment period. This period begins on the publication date of the Federal Register notice (June 13, 2003) and closes 90 days later (September 11, 2003). During this period, interested parties may consult with and obtain information from Western's representatives. They may also examine data used in the power repayment studies and suggest changes. Specific details for providing comments are included in the Federal Register notice.
  - A. Public Information Forum: Western's representatives explain the Proposed Rate changes and answer questions. Those questions not answered at the information forum receive written responses at least 15 days prior to the end of the consultation and comment period.
  - B. Public Comment Forum: This forum provides a formal opportunity for interested parties to submit either written or oral comments to be shared with other attendees and Western representatives. Usually, Western does not respond to comments at this forum. However, comments are considered in developing the final rate.
  - C. Written Comments: Interested parties may submit written comments and inquiries to Western during the consultation and comment period.
  - D. Revision of Proposed Rate: After the close of the consultation and comment period, Western will review and consider comments. If appropriate, the Proposed Rate will be revised. If the Administrator determines that further public comment should be invited or is necessary, interested parties will be given a period of at least 30 days to submit additional comments concerning the Proposed Rate.
  - E. Preliminary Decision on Interim Rate: Following the end of the consultation and comment period, the Administrator will develop provisional rates. The Deputy Secretary of Energy for the Department of Energy (DOE) has the authority to confirm, approve, and place this rate into effect on an interim basis. The decision, together with an explanation of the principal factors leading to the decision, will be published in the Federal Register.

- F. Final Approval of Interim Rate: The Deputy Secretary will submit information concerning the interim rate to the Federal Energy Regulatory Commission (FERC) and request final approval. The response of FERC will be to:
1. give final confirmation and approval to the interim rate,
  2. disapprove the interim rate, or
  3. remand the matter to Western for further study.

The interim rate does not become final until it is approved by FERC.

## **APPENDIX B**

## **PROPOSED SCHEDULE**

- Informal Customer Meetings took place April 14-16, 2003
- Public Process
  - FRN published June 13, 2003
  - 90 day comment period begins June 13, 2003, and ends September 11, 2003
- Information Forums
  - July 14, 2003, 1 p.m. to 4 p.m. MDT  
Radisson Stapleton Plaza  
3333 Quebec Street  
Denver, CO
  - July 15, 2003, 9 a.m. to 12 noon CDT  
Southeast Community College  
(1<sup>st</sup> Floor of the Energy Plaza)  
11<sup>th</sup> and O Street  
Lincoln, NE
  - July 16, 2003, 9 a.m. to 12 noon CDT  
Ramkota Hotel and Conference Center  
2400 North Louise Avenue  
Sioux Falls, SD
  - July 17, 2003, 9 a.m. to 12 noon CDT  
Doublewood Inn  
3333 13<sup>th</sup> Avenue South  
Fargo, ND
- Comment Forums
  - August 6, 2003, 1 p.m. to 4 p.m. MDT  
Radisson Stapleton Plaza  
3333 Quebec Street  
Denver, CO
  - August 7, 2003, 9 a.m. to 12 noon CDT  
Ramkota Hotel and Conference Center  
2400 North Louise Avenue  
Sioux Falls, SD
- Record of Decision (November 2003)
- Implement rate January 1, 2004

## **APPENDIX C**



## **PROJECT DESCRIPTION**

The Pick-Sloan Missouri Basin Program (P-SMBP) was authorized by Congress in Section 9 of the Flood Control Act of December 22, 1944, commonly referred to as the 1944 Flood Control Act. The multipurpose program provides flood control, irrigation, navigation, recreation, preservation and enhancement of fish and wildlife and power generation. Multipurpose projects have been developed on the Missouri River and its tributaries in Colorado, Montana, Nebraska, North Dakota, South Dakota and Wyoming.

In addition to the multipurpose water projects authorized by Section 9 of the Flood Control Act of 1944, certain other existing projects have been integrated with the P-SMBP for power marketing, operation and repayment purposes. The Colorado-Big Thompson, Kendrick, and Shoshone Projects were combined with the P-SMBP in 1954, followed by the North Platte Project in 1959. These projects are referred to as the “Integrated Projects” of P-SMBP.

The Flood Control act of 1944 also authorized the inclusion of the Fort Peck Project with the P-SMBP for operation and repayment purposes. The Riverton Project was integrated with the P-SMBP in 1954, and in 1970 was reauthorized as a unit of P-SMBP.

The P-SMBP is administered by two regions. The Upper Great Plains Region with a regional office in Billings, Montana, markets the Eastern Division of P-SMBP and the Rocky Mountain region with a regional office in Loveland, Colorado, markets the Western Division of P-SMBP. The Upper Great Plains Region markets power in western Iowa, Montana east of the Continental Divide, North Dakota, South Dakota, and

the eastern two-thirds of Nebraska. The Rocky Mountain Region markets P-SMBP power in northeastern Colorado, east of the Continental Divide in Wyoming, west of the 101<sup>st</sup> meridian in Nebraska and northern Kansas. P-SMBP power is marketed to approximately 300 firm power customers by the Upper Great Plains Region and approximately 40 firm power customers by the Rocky Mountain Region.

**EXHIBIT 1**

PICK-SLOAN MISSOURI POWER PROGRAM  
PRELIMINARY FY 2003 POWER REPAYMENT STUDY  
April 2003

2/194 to 9/30/94 @ 13.62 m/kWh  
10/1/94 to 9/30/02 @ 14.54 m/kWh  
10/1/03 to 9/30/04 @ 16.71 m/kWh  
10/1/04 to End of PRS @ 16.71 m/kWh

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
	EXPENSES										Capitalized Deficits				Replacements/Retirements				Investment Additions				Add to Irrigation					
Fiscal Year	Total Revenue	Operations & Maintenance Expense	Purchased Power Expense	Transmission Service Expense	Other Expense	Integrated Projects	Interest Expense	Total Expenses	Prior Year Adjustments	Revenue Annual Excess	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Fiscal Year	
1990	4,032,802	1,718,811	62,415		343,100		630,866	2,755,192		1,277,610									1,277,610	5,466,295	6,743,905	6,743,905		5,656,000	5,656,000	5,656,000	1990	
1991	1,403,546	635,978	2,955		115,039		163,989	917,961	(2,355)										483,000	13,869,155	15,629,795	15,629,795		5,656,000	5,656,000	5,656,000	1991	
1992	2,371,956	995,925	2,349		226,107		1,460,456	717,424											717,424	28,392,029	30,870,903	30,870,903		22,145,000	22,145,000	22,145,000	1992	
1993	6,404,960	1,944,342	397,234		433,174	2,033,340	851,761	5,699,851	(28,977)										716,212	51,354,350	54,548,066	54,548,066		22,397,000	22,397,000	22,397,000	1993	
1994	8,201,212	2,429,876	312,303		551,812	4,070,899	1,540,636	8,905,526	(4,375)										(708,689)	111,025,578	113,511,165	113,511,165		23,697,000	23,697,000	23,697,000	1994	
1995	11,464,055	3,287,766	399,408		830,987	3,993,833	3,330,767	11,952,763	(61,276)										(549,934)	200,033,933	201,699,886	201,699,886		25,110,000	25,110,000	25,110,000	1995	
1996	14,881,175	3,993,721	942,778		1,064,791	4,640,456	6,001,018	16,842,714	(129,392)										(2,121,465)	330,225,113	332,346,578	332,346,578		27,696,000	27,696,000	27,696,000	1996	
1997	18,065,674	4,755,824	1,548,996		1,646,362	4,687,690	10,176,258	22,815,120	(157,367)										(4,366,813)	338,305,378	353,744,406	353,744,406		85,267,000	85,267,000	85,267,000	1997	
1998	21,383,943	5,514,715	1,282,583		1,532,389	5,077,549	9,326,383	22,733,619	(572,419)										(777,257)	396,580,114	391,242,285	391,242,285		91,816,000	91,816,000	91,816,000	1998	
1999	21,668,953	6,727,603	1,616,995		1,597,729	5,581,082	11,897,867	25,866,976	(84,799)										(4,254,492)	397,607,246	388,305,025	388,305,025		96,352,000	96,352,000	96,352,000	1999	
2000	22,263,696	6,640,066	353,898		1,706,692	5,534,785	11,937,220	26,173,191	315										(3,909,180)	421,497,372	407,985,831	407,985,831		162,857,000	162,857,000	162,857,000	2000	
2001	25,237,450	7,099,529	1,969,522		1,401,148	4,977,077	12,644,920	28,064,976	(161,813)										(2,989,339)	513,901,023	497,400,183	497,400,183		162,857,000	162,857,000	162,857,000	2001	
2002	27,383,525	7,903,066	2,777,545		1,541,614	4,905,245	15,417,031	31,745,041	7,157										(4,454,359)	571,126,325	556,386,357	556,386,357		169,921,000	169,921,000	169,921,000	2002	
2003	29,903,437	8,218,813	561,752		8,203,674	5,990,035	16,423,889	39,458,163	19,898,222											670,689,573	680,077,870	680,077,870		204,433,000	204,433,000	204,433,000	2003	
2004	33,945,191	8,330,627	647,848		9,211,431	5,710,035	20,360,687	44,260,628	10,579,302											697,356,149	687,008,311	687,008,311		222,897,000	222,897,000	222,897,000	2004	
2005	38,498,293	10,379,471	498,395		9,720,934	5,421,253	20,920,684	46,940,737	7,543,062											1,100,618	770,341,109	761,093,889	761,093,889		222,897,000	222,897,000	222,897,000	2005
2006	45,555,123	11,167,852	691,346		8,152,350	4,712,258	19,728,389	44,445,465	7,936,144											8,858,802	827,381,359	826,992,941	826,992,941		228,396,000	228,396,000	228,396,000	2006
2007	49,634,452	12,028,793	1,404,061		6,628,081	5,733,777	21,314,129	49,145,483	4,556,601											8,346,290	861,389,399	860,947,272	860,947,272		241,231,000	241,231,000	241,231,000	2007
2008	56,163,293	12,717,982	1,457,697		4,955,440	4,605,168	22,098,051	45,834,338	4,041,600											14,370,555	899,949,303	882,277,731	882,277,731		245,812,000	245,812,000	245,812,000	2008
2009	60,471,540	14,861,048	1,776,630		5,220,924	4,815,777	22,101,304	48,697,953	5,575,747											17,359,294	900,779,694	890,467,416	890,467,416		248,122,000	248,122,000	248,122,000	2009
2010	67,757,201	14,925,809	2,279,490		5,205,900	4,815,777	22,101,304	52,929,891	6,041,301											21,325,100	920,429,146	909,429,146	909,429,146		245,812,000	245,812,000	245,812,000	2010
2011	72,366,588	17,309,204	2,107,587		5,128,872	5,607,365	21,092,425	51,245,953	3,955,391											27,996,026	814,673,158	805,992,307	805,992,307		266,421,000	266,421,000	266,421,000	2011
2012	81,476,861	18,936,186	1,638,988		5,176,184	6,148,026	20,646,341	52,545,725	5,563,340											34,494,476	806,773,652	792,187,177	792,187,177		266,421,000	266,421,000	266,421,000	2012
2013	75,926,400	20,980,045	3,222,065		(78,494,643)	6,009,053	20,285,737	(28,197,183)	(72,944,532)											9,012,728	784,719,173	793,149,021	793,149,021		266,421,000	266,421,000	266,421,000	2013
2014	79,465,446	21,458,857	3,475,891		6,470,029	1,939,122	23,845,251	29,445,251	303,199											24,810,265	797,472,019	796,712,132	796,712,132		266,421,000	266,421,000	266,421,000	2014
2015	91,429,189	23,905,035	4,331,350		7,504,375	2,014,565	25,881,325	37,937	90,082,895											34,955,120	767,585,853	767,585,853	767,585,853		266,421,000	266,421,000	266,421,000	2015
2016	157,438,809	33,134,748	1,667,337		9,623,785	23,336,715	63,759,621	403,671	90,082,895											11,201,453	673,794,722	671,609,215	671,609,215		266,421,000	266,421,000	266,421,000	2016
2017	105,573,823	29,626,412	4,951,931		6,447,664	16,844,869	57,807,876	72,882	48,295,629											12,228,135	629,541,184	624,724,625	624,724,625		266,421,000	266,421,000	266,421,000	2017
2018	116,303,002	37,416,937	15,236,438		8,527,305	75,888,708	67,330,478	16,788,919	39,404,744											16,788,919	649,001,244	629,780,659	629,780,659		266,421,000	266,421,000	266,421,000	2018
2019	126,310,264	38,077,972	21,542		5,714,076	16,358,183	60,362,777	2,856,345	68,083,832											15,040,292	543,214,54	543,214,54	543,214,54		266,421,000	266,421,000	266,421,000	2019
2020	190,670,691	40,520,271	10,319,113		5,129,234	14,702,382	80,161,952	13,261,952	153,062,65											15,302,645	580,766,488	565,722,176	565,722,176		266,421,000	266,421,000	266,421,000	2020
2021	121,896,418	42,462,747	15,533,069		16,534,000	13,653,065	26,791,056	27,019,056	27,019,056											15,534,724	622,187,238	606,652,514	606,652,514		266,421,000	266,421,000	266,421,000	2021
2022	85,832,293	48,838,238	9,321,427		11,266,662	14,607,075	83,978,422	24,260,080	26,113,951											2,452,999	512,796,480	512,796,480	512,796,480		266,421,000	266,421,000	266,421,000	2022
2023	122,272,292	52,989,151	1,757,810		10,506,400	13,026,937	78,280,298	(1,580,786)	42,511,208											18,367,001	1,009,207,447	1,						

Fiscal Year	EXPENSES										Fiscal Year																	
	Total Revenue	Operations & Maintenance Expense	Purchased Power Expense	Transmission Service Expense	Other Expense	Integrated Projects	Interest Expense	Total Expenses	Prior Year Adjustments	Revenue		Capitalized Deficits				Replacements/Retirements				Investment Additions				Add to Irrigation				
										After Annual Expenses		Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Principal Payment
2051	274,860,594	144,745,045	0	12,562,854		167,747	157,475,646		117,334,948	0	0	0	368,346,553	37,247,032	0	678,177,878	1,105,567,127	0	348,569,714	2,465,181,312	106,637,916	1,552,651,699	2,207,989,890	2,850,597,661	2051			
2052	274,920,396	144,745,045	0	12,562,854		167,747	157,475,646		117,444,730	167,747	0	0	368,346,553	10,829,621	0	671,804,122	1,137,397,326	0	316,905,632	2,465,181,312	85,615,126	1,533,408,573	2,187,075,683	2,914,969,661	2052			
2053	274,936,201	144,745,045	0	12,562,854		167,747	157,475,646		117,460,555	0	0	0	368,346,553	25,778,774	0	694,159,398	1,163,176,100	0	185,759,170	2,465,181,312	91,681,781	1,508,098,792	2,254,047,407	2,983,341,661	2053			
2054	274,974,044	144,745,045	0	12,562,854		167,747	157,475,646		117,498,338	0	0	0	368,346,553	69,484,723	0	763,644,121	1,232,810,821	0	148,781,965	2,465,181,312	48,633,635	1,526,457,157	2,320,419,890	3,049,166,661	2054			
2055	275,005,265	144,745,045	0	12,562,854		167,747	157,475,646		117,475,646	0	0	0	368,346,553	22,561,746	0	729,209,888	1,255,372,569	0	107,058,756	2,465,181,312	91,681,781	1,497,810,524	2,386,791,900	3,116,085,661	2055			
2056	275,071,811	144,745,045	0	12,562,854		167,747	157,475,646		117,596,165	0	0	0	368,346,553	51,312,351	0	721,576,685	1,270,534,920	0	62,186,544	2,465,181,312	104,761,898	1,546,898,726	2,453,165,900	3,182,457,661	2056			
2057	275,107,847	144,745,045	0	12,562,854		167,747	157,475,646		117,561,197	0	0	0	368,346,553	2,375,427	0	719,951,105	1,272,910,347	0	37,566,141	2,465,181,312	1,413,014,183	1,549,519,890	2,498,685,661	3,249,166,661	2057			
2058	275,147,419	144,745,045	0	12,562,854		167,747	157,475,646		117,671,173	0	0	0	368,346,553	64,892,213	0	719,951,105	1,337,802,560	0	122,589,510	2,465,181,312	102,729,816	1,604,898,726	2,585,103,900	3,313,261,661	2058			
2059	275,182,224	144,745,045	0	12,562,854		167,747	157,475,646		117,709,578	0	0	0	368,346,553	25,966,895	0	719,951,105	1,363,759,455	0	0	2,465,181,312	71,121,683	1,601,285,490	2,652,279,890	3,381,571,661	2059			
2060	275,200,722	144,745,045	0	11,903,063		167,747	156,816,395		108,953,627	0	0	0	368,346,553	39,760,185	0	719,951,105	1,400,500,640	0	0	2,465,181,312	92,252,442	1,605,489,408	2,718,651,890	3,447,945,661	2060			
2061	275,210,917	144,745,045	0	11,903,063		167,747	156,807,958		108,953,627	0	0	0	368,346,553	30,119,720	0	719,951,105	1,430,620,360	0	0	2,465,181,312	718,922,701	1,382,794,797	2,785,023,900	3,514,317,661	2061			
2062	266,033,871	144,745,045	0	11,885,525		167,747	156,798,317		109,235,554	0	0	0	368,346,553	14,588,675	0	719,951,105	1,445,209,035	0	0	2,465,181,312	94,666,879	1,354,519,198	2,851,395,890	3,580,689,661	2062			
2063	266,196,229	144,745,045	0	11,877,088		167,747	156,789,880		109,406,349	0	0	0	368,346,553	41,952,781	0	719,951,105	1,487,161,816	0	0	2,465,181,312	67,453,358	1,333,438,350	2,917,767,890	3,647,061,661	2063			
2064	266,341,719	144,745,045	0	11,867,446		167,747	156,780,238		109,561,481	0	0	0	368,346,553	18,614,157	0	719,951,105	1,505,775,973	0	0	2,465,181,312	90,947,324	1,328,863,026	2,984,139,890	3,714,531,661	2064			
2065	266,460,617	144,745,045	0	11,859,021		167,747	156,771,809		109,689,274	0	0	0	368,346,553	31,285,929	0	719,951,105	1,537,061,903	0	0	2,465,181,312	116,402,635	1,316,831,681	3,093,118,890	3,779,808,661	2065			
2066	266,567,658	144,745,045	0	11,849,369		167,747	156,762,161		109,865,407	0	0	0	368,346,553	53,042,051	0	719,951,105	1,542,403,958	0	0	2,465,181,312	104,923,536	1,278,681,323	3,116,883,890	3,846,177,661	2066			
2067	266,735,654	144,745,045	0	11,834,936		167,747	156,756,134		109,975,230	0	0	0	368,346,553	9,298,928	0	719,951,105	1,551,693,881	0	0	2,465,181,312	109,891,292	1,244,363,733	3,138,225,890	3,921,549,661	2067			
2068	266,876,008	144,745,045	0	11,843,960		167,747	156,747,698		110,128,310	0	0	0	368,346,553	14,916,577	0	719,951,105	1,566,610,458	0	0	2,465,181,312	95,589,733	1,215,524,400	3,249,627,690	3,979,621,661	2068			
2069	267,012,819	144,745,045	0	11,825,446		167,747	156,738,025		110,254,646	0	0	0	368,346,553	23,444,730	0	719,951,105	1,571,955,207	0	0	2,465,181,312	102,438,996	1,217,824,324	3,315,999,890	4,040,166,661	2069			
2070	267,161,858	144,745,045	0	11,816,827		167,747	156,729,619		110,432,329	0	0	0	368,346,553	15,213,480	0	719,951,105	1,589,168,708	0	0	2,465,181,312	95,589,733	1,150,110,565	3,382,731,890	4,111,665,661	2070			
2071	267,285,351	144,745,045	0	11,807,186		167,747	156,719,978		110,565,373	0	0	0	368,346,553	11,014,788	0	719,951,105	1,600,183,496	0	0	2,465,181,312	99,520,585	1,116,913,940	3,448,743,890	4,178,077,661	2071			
2072	267,452,842	144,745,045	0	11,797,545		167,747	156,710,337		110,742,908	0	0	0	368,346,553	6,803,492	0	719,951,105	1,606,986,988	0	0	2,465,181,312	103,699,013	1,079,364,967	3,515,115,890	4,244,409,661	2072			
2073	267,593,199	144,745,045	0	11,780,186		167,747	156,701,900		110,980,299	0	0	0	368,346,553	18,034,664	0	719,951,105	1,625,021,652	0	0	2,465,181,312	92,856,635	1,052,880,332	3,581,487,890	4,310,781,661	2073			
2074	267,738,691	144,745,045	0	11,669,258		167,747	156,692,258		111,046,633	0	0	0	368,346,553	24,503,493	0	719,951,105	1,649,580,695	0	0	2,465,181,312	106,879,390	1,032,764,942	3,647,859,890	4,377,153,661	2074			
2075	267,887,409	144,745,045	0	11,771,030		167,747	156,683,822		111,173,227	0	0	0	368,346,553	12,611,936	0	719,951,105	1,662,192,631	0	0	2,465,181,312	98,561,291	1,000,575,651	3,714,231,890	4,443,525,661	2075			
2076	268,039,313	144,745,045	0	11,760,571		167,747	156,675,313		111,326,336	0	0	0	368,346,553	5,785,521	0	719,951,105	1,677,968,152	0	0	2,465,181,312	105,543,615	960,449,376	3,780,603,890	4,509,661,661	2076			
2077	268,154,625	144,745,045	0	11,755,362		167,747	156,668,154		111,486,471	0	0	0	368,346,553	2,575,695	0	719,951,105	1,679,553,847	0	0	2,465,181,312	108,010,776	918,963,900	3,846,975,890	4,576,269,661	2077			
2078	268,298,980	144,745,045	0	11,746,926		167,747	156,659,718		111,613,622	0	0	0	368,346,553	7,273,881	0	719,951,105	1,677,827,728	0	0	2,465,181,312	104,336,381	880,659,639	3,913,347,890	4,642,641,661	2078			
2079	268,476,474	144,745,045	0	11,737,284		167,747	156,650,076		111,746,398	0	0	0	368,346,553	4,130,066	0	719,951,105	1,681,957,794	0	0	2,465,181,312	107,616,332	889,651,647	3,913,347,890	4,709,166,661	2079			
2080	268,591,240	144,745,045	0	11,728,289		167,747	156,643,291		111,890,345	0	0	0	368,346,553	9,490,345	0	719,951,105	1,691,448,139	0	0	2,465,181,312	80,997,944	816,405,403	3,913,347,890	4,776,881,661	2080			
2081	263,307,405	144,745,045	0	11,431,159		167,747	156,343,951		109,963,094	0	0	0	368,346,553	2,869,658	0	719,951,105	1,701,716,797	0	0	2,465,181,312	104,153,436	728,349,397	3,913,347,890	4,841,757,661	2081			
2082	263,322,848	144,745,045	0	11,431,159		167,747	156,332,848		109,978,897	0	0	0	368,346,553	18,960,542	0	719,951,105	1,720,677,339	0	0	2,465,181,312	108,013,355	756,597,612	3,913,347,890	4,908,129,661	2082			
2083	263,382,653	144,745,045	0	11,431,159		167,747	156,325,643		107,038,702	0	0	0	368,346,553	3,387,840	0	719,951,105	1,724,065,179	0	0	2,465,181,312	103,692,682	719,318,750	3,913,347,890	4,974,501,661	2083			
2084	263,442,955	144,745,045	0	11,431,159		167,747	156,318,422		107,098,704	0	0	0	368,346,553	22,141,272	0	719,951,105	1,746,206,451	0	0	2,465,181,312	104,971,638	700,318,319	3,913,347,890	5,040,861,661	2084			
2085	263,468,440	144,745,045	0	11,431,159		167,747	156,343,951		107,114,509	0	0	0	368,346,553	21,452,193	0	719,951,105	1,767,658,644	0	0	2,465,181,312	85,662,316	681,440,032	3,913,347,890	5,107,245,661	2085			
2086	263,276,263	144,745,045	0	11,431,159		167,747	156,276,263		106,932,612	0	0	0	368,346,553	57,178,063	0	719,951,105	1,824,836,708	0	0	2,465,181,312	49,524,249	698,060,753	3,913,347,890	5,161,751,661	2086			
2087	263,072,068	144,745,045	0	11,431,159		167,747	156,343,951		106,728,117	0	0	0	368,346,553	18,835,458	0	719,951,105	1,843,672,165	0	0	2,465,181,312	87,829,659	675,400,094	3,913,347,890	5,239,989,661	2087			
2088	263,867,870	144,745,045	0	11,431,159		167,747	156,343,951		114,535,919	0	0	0	368,346,553	75,178,236	0	719,951,105	1,918,842,401	0	0	2,465,181,312	71,353,183	688,541,683	3,91					

**EXHIBIT 2**

PICK-SLOAN MISSOURI POWER PROGRAM  
PRELIMINARY FY 2003 POWER REPAYMENT STUDY  
April 2003

2/194 to 9/30/94 @ 13.62 m/kWh  
10/1/94 to 9/30/02 @ 14.54 m/kWh  
10/1/03 to 9/30/04 @ 16.27 m/kWh  
10/1/04 to End of PRS @ 16.74 m/kWh

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
EXPENSES											Capitalized Deficits				Replacements/Retirements				Investment Additions				Add to Aid to Repayment				
Fiscal Year	Total Revenue	Operations & Maintenance Expense	Purchased Power Expense	Transmission Service Expense	Other Expense	Integrated Projects	Interest Expense	Total Expenses	Prior Year Adjustments	Revenue After Federal Tax	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Fiscal Year
1990	4,032,802	1,718,811	62,415		343,100		630,866	2,755,192		1,277,610									1,277,610	5,466,295	6,743,905	6,743,905		5,656,000	5,656,000	5,656,000	1990
1991	1,403,546	635,978	2,955		115,039		163,989	917,961	(2,355)	483,000									483,000	13,869,155	15,629,795	15,629,795		5,656,000	5,656,000	5,656,000	1991
1992	2,371,956	995,925	2,349		226,107		1,640,456	(14,076)	717,424										717,424	28,392,029	30,870,903	30,870,903		22,145,000	22,145,000	22,145,000	1992
1993	6,404,960	1,944,342	97,234		433,174	2,033,340	5,691,851	(28,977)	716,212										716,212	31,354,308	34,548,066	34,548,066		22,597,000	22,597,000	22,597,000	1993
1994	8,201,212	2,429,876	312,303		551,812	4,070,899	1,540,636	8,905,526	(4,375)	(708,689)									(708,689)	111,025,578	113,511,165	113,511,165		23,697,000	23,697,000	23,697,000	1994
1995	11,464,055	3,287,766	399,408		830,987	3,993,833	3,330,767	11,952,763	(41,276)	(549,934)									(549,934)	200,033,933	201,699,886	201,699,886		25,110,000	25,110,000	25,110,000	1995
1996	14,881,175	3,993,721	942,728		1,064,791	4,640,456	6,001,018	16,842,714	(21,291)	(1,219,412)									(1,219,412)	382,225,113	384,031,954	384,031,954		27,696,000	27,696,000	27,696,000	1996
1997	18,065,674	4,755,824	1,548,986		1,646,362	4,687,690	11,076,258	22,815,120	(157,367)	(4,366,813)									(4,366,813)	398,305,378	393,744,806	393,744,806		85,267,000	85,267,000	85,267,000	1997
1998	21,383,943	5,514,715	1,282,583		1,532,389	5,077,549	9,326,383	27,733,619	(572,419)	(777,257)									(777,257)	396,580,114	391,242,285	391,242,285		91,816,000	91,816,000	91,816,000	1998
1999	21,686,953	6,727,603	1,616,995		1,597,729	5,581,862	11,897,667	25,866,976	(84,799)	(4,264,902)									(4,264,902)	397,307,246	388,305,025	388,305,025		96,352,000	96,352,000	96,352,000	1999
2000	22,263,696	6,640,686	353,898		1,706,692	5,534,758	11,857,220	26,173,191	315	(3,909,180)									(3,909,180)	421,497,332	407,985,831	407,985,831		162,857,000	162,857,000	162,857,000	2000
2001	25,237,450	7,299,329	1,969,522		1,401,148	4,977,077	12,644,920	29,064,976	(161,813)	(2,989,339)									(2,989,339)	513,901,023	497,400,183	497,400,183		162,857,000	162,857,000	162,857,000	2001
2002	27,283,525	7,903,406	2,777,545		1,541,614	4,905,245	15,417,013	31,745,041	7,157	(4,454,359)									(4,454,359)	571,126,325	556,386,357	556,386,357		169,921,000	169,921,000	169,921,000	2002
2003	29,903,437	8,218,813	561,752		8,203,674	5,990,035	16,423,889	39,458,163	19,898,222	10,343,496									10,343,496	678,657,573	668,077,870	668,077,870		204,433,000	204,433,000	204,433,000	2003
2004	33,945,191	8,330,627	647,848		9,211,431	5,710,035	20,360,687	44,260,628	10,579,302	26,365									26,365	697,356,149	687,008,311	687,008,311		222,897,000	222,897,000	222,897,000	2004
2005	38,498,293	10,379,471	498,395		9,720,934	5,421,253	20,920,684	46,940,737	9,543,062	110,618									110,618	770,341,109	761,093,889	761,093,889		222,897,000	222,897,000	222,897,000	2005
2006	45,555,123	11,167,852	691,346		8,152,350	4,712,258	19,728,389	44,452,465	9,172,344	8,858,802									8,858,802	827,381,359	826,992,941	826,992,941		228,396,000	228,396,000	228,396,000	2006
2007	48,934,452	12,028,739	1,401,061		6,628,081	5,733,777	21,514,129	49,415,443	4,556,601	8,346,290									8,346,290	869,347,272	869,347,272	869,347,272		241,211,000	241,211,000	241,211,000	2007
2008	56,163,293	12,717,982	1,457,697		4,955,440	4,605,168	22,098,051	45,834,358	4,041,600	14,705,555									14,705,555	899,499,303	882,727,731	882,727,731		245,812,000	245,812,000	245,812,000	2008
2009	60,471,540	14,861,048	1,776,630		5,220,924	4,815,777	22,101,304	48,697,993	5,575,747	17,399,294									17,399,294	930,779,694	900,467,416	900,467,416		248,121,000	248,121,000	248,121,000	2009
2010	67,757,201	14,205,805	2,279,499		5,205,909	4,815,777	22,101,304	52,929,499	5,575,747	20,319,301									20,319,301	1,020,765,123	989,429,146	989,429,146		245,812,000	245,812,000	245,812,000	2010
2011	72,366,588	17,309,204	2,107,587		5,128,872	5,607,365	21,092,425	51,245,953	3,955,391	27,996,026									27,996,026	1,141,673,158	1,095,992,307	1,095,992,307		246,421,000	246,421,000	246,421,000	2011
2012	81,476,861	18,936,186	1,688,988		5,176,184	6,148,026	20,646,341	52,545,725	5,563,340	34,494,476									34,494,476	1,261,173,652	1,207,187,177	1,207,187,177		246,421,000	246,421,000	246,421,000	2012
2013	75,926,400	20,980,045	3,222,065		(78,494,643)	6,009,053	20,285,737	(28,197,183)	(72,942,532)	32,029,051									32,029,051	1,290,173,728	1,211,679,123	1,211,679,123		246,421,000	246,421,000	246,421,000	2013
2014	79,465,446	21,358,337	6,475,898		6,470,029	1,969,122	23,839,394	303,199	29,845,251	29,845,251									29,845,251	1,320,028,979	1,241,524,376	1,241,524,376		246,421,000	246,421,000	246,421,000	2014
2015	91,429,189	23,905,035	4,331,350			7,504,375	35,465,261	55,881,325	97,397	90,082,895									90,082,895	1,359,126,271	1,270,628,573	1,270,628,573		246,421,000	246,421,000	246,421,000	2015
2016	157,438,809	33,134,748			9,623,785	23,336,715	67,759,621	103,623,871		90,082,895									90,082,895	1,392,762,421	1,303,712,698	1,303,712,698		246,421,000	246,421,000	246,421,000	2016
2017	105,573,823	29,624,412	4,951,931		6,447,664	16,844,869	57,807,876	72,882,067		48,959,629									48,959,629	1,422,386,843	1,324,628,317	1,324,628,317		246,421,000	246,421,000	246,421,000	2017
2018	116,303,002	37,416,932	1,238,438		7,416,932	7,588,708	67,330,978	39,400,474		1,362,320									1,362,320	1,460,001,244	1,357,474,365	1,357,474,365		246,421,000	246,421,000	246,421,000	2018
2019	126,310,264	38,077,972	2,125,492		5,714,076	16,358,183	60,362,777	2,856,345		68,083,832									68,083,832	1,500,000,000	1,392,574,365	1,392,574,365		246,421,000	246,421,000	246,421,000	2019
2020	109,670,691	40,502,271	10,319,113		5,129,234	14,702,382	58,321,952			136,192,952									136,192,952	1,636,692,317	1,408,692,317	1,408,692,317		246,421,000	246,421,000	246,421,000	2020
2021	121,966,417	42,607,247	1,533,069		16,534,000		60,141,247			26,791,056									26,791,056	1,663,489,376	1,435,489,376	1,435,489,376		246,421,000	246,421,000	246,421,000	2021
2022	85,832,293	48,838,238	9,321,427		11,266,662	14,607,075	83,978,422	24,060,080		163,191,951									163,191,951	1,727,687,327	1,457,687,327	1,457,687,327		246,421,000	246,421,000	246,421,000	2022
2023	122,272,292	52,989,15																									

Fiscal Year	EXPENSES										Fiscal Year
	Total Revenue	Operations & Maintenance Expense	Purchased Power Expense	Transmission Service Expense	Other Expense	Integrated Projects	Interest Expense	Total Expenses	Prior Year Adjustments	Revenue After Annual Expenses	
2051	275,108,484	144,745,045	0	12,562,854	167,747	0	17,722,838	17,722,838	0	17,722,838	2051
2052	275,258,106	144,745,045	0	12,562,854	167,747	0	17,722,838	17,722,838	0	17,722,838	2052
2053	275,273,731	144,745,045	0	12,562,854	167,747	0	17,722,838	17,722,838	0	17,722,838	2053
2054	275,311,154	144,745,045	0	12,562,854	167,747	0	17,722,838	17,722,838	0	17,722,838	2054
2055	275,393,239	144,745,045	0	12,562,854	167,747	0	17,722,838	17,722,838	0	17,722,838	2055
2056	275,408,861	144,745,045	0	12,562,854	167,747	0	17,722,838	17,722,838	0	17,722,838	2056
2057	275,424,486	144,745,045	0	12,562,854	167,747	0	17,722,838	17,722,838	0	17,722,838	2057
2058	275,484,109	144,745,045	0	12,562,854	167,747	0	17,722,838	17,722,838	0	17,722,838	2058
2059	275,521,734	144,745,045	0	12,562,854	167,747	0	17,722,838	17,722,838	0	17,722,838	2059
2060	266,085,202	144,745,045	0	11,903,603	167,747	0	15,816,395	15,816,395	0	15,816,395	2060
2061	266,225,349	144,745,045	0	11,895,166	167,747	0	15,807,958	15,807,958	0	15,807,958	2061
2062	266,348,601	144,745,045	0	11,885,525	167,747	0	15,798,317	15,798,317	0	15,798,317	2062
2063	266,510,749	144,745,045	0	11,877,088	167,747	0	15,789,800	15,789,800	0	15,789,800	2063
2064	266,655,999	144,745,045	0	11,867,446	167,747	0	15,780,238	15,780,238	0	15,780,238	2064
2065	266,774,147	144,745,045	0	11,859,011	167,747	0	15,771,803	15,771,803	0	15,771,803	2065
2066	266,941,398	144,745,045	0	11,849,369	167,747	0	15,762,161	15,762,161	0	15,762,161	2066
2067	267,049,334	144,745,045	0	11,843,342	167,747	0	15,756,134	15,756,134	0	15,756,134	2067
2068	267,189,478	144,745,045	0	11,834,906	167,747	0	15,747,698	15,747,698	0	15,747,698	2068
2069	267,334,732	144,745,045	0	11,825,264	167,747	0	15,738,056	15,738,056	0	15,738,056	2069
2070	267,474,878	144,745,045	0	11,816,827	167,747	0	15,729,619	15,729,619	0	15,729,619	2070
2071	267,598,131	144,745,045	0	11,807,186	167,747	0	15,719,978	15,719,978	0	15,719,978	2071
2072	267,765,382	144,745,045	0	11,797,545	167,747	0	15,710,335	15,710,335	0	15,710,335	2072
2073	267,905,529	144,745,045	0	11,789,108	167,747	0	15,701,900	15,701,900	0	15,701,900	2073
2074	268,050,781	144,745,045	0	11,779,466	167,747	0	15,692,258	15,692,258	0	15,692,258	2074
2075	268,168,929	144,745,045	0	11,771,030	167,747	0	15,683,822	15,683,822	0	15,683,822	2075
2076	268,320,861	144,745,045	0	11,765,003	167,747	0	15,677,795	15,677,795	0	15,677,795	2076
2077	268,466,115	144,745,045	0	11,755,362	167,747	0	15,668,154	15,668,154	0	15,668,154	2077
2078	268,584,260	144,745,045	0	11,746,926	167,747	0	15,659,718	15,659,718	0	15,659,718	2078
2079	268,707,514	144,745,045	0	11,737,284	167,747	0	15,650,076	15,650,076	0	15,650,076	2079
2080	263,607,200	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2080
2081	263,622,825	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2081
2082	263,638,448	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2082
2083	263,698,073	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2083
2084	263,757,955	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2084
2085	263,773,580	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2085
2086	263,591,203	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2086
2087	263,386,828	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2087
2088	263,182,450	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2088
2089	263,000,075	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2089
2090	262,795,698	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2090
2091	262,613,323	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2091
2092	262,408,945	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2092
2093	262,226,830	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2093
2094	262,044,453	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2094
2095	261,840,078	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2095
2096	261,635,700	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2096
2097	261,433,325	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2097
2098	261,270,948	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2098
2099	261,022,573	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2099
2100	260,840,195	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2100
2101	260,658,061	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2101
2102	260,585,705	144,745,045	0	11,431,159	167,747	0	15,343,951	15,343,951	0	15,343,951	2102
<b>FUTURE YR SUBTOTAL</b>	27,638,388,604	14,539,754,802	238,879,729	1,237,096,653	0	0	2,241,096,120	18,256,827,304	0	9,381,561,300	<b>100 YR SUBTOTAL</b>
<b>STUDY TOTAL</b>	33,890,837,951	17,221,636,144	1,224,878,565	1,261,861,189	0	2,075,227	3,719,238,565	23,429,689,690	1,527,252	10,462,675,493	<b>STUDY TOTAL</b>

\*Purchased transmission services were included in Column (3) in the PRS until 2001, when they began to be displayed in Column (5).



**EXHIBIT 3**

UNITED STATES DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION

PICK-SLOAN MISSOURI BASIN PROGRAM-EASTERN DIVISION  
IOWA, MINNESOTA, MONTANA, NEBRASKA, NORTH DAKOTA, SOUTH DAKOTA

SCHEDULE OF RATES FOR FIRM POWER SERVICE

Effective:

The first day of the first full billing period beginning on or after January 1, 2004, through December 31, 2008.

Available:

Within the marketing area served by the Eastern Division of the Pick-Sloan Missouri Basin Program.

Applicable:

To the power and energy delivered to customers as firm power service.

Character:

Alternating current, 60-hertz, three-phase, delivered and metered at the voltages and points established by contract.

Monthly Rate:

**DEMAND CHARGE:** \$3.70 per kilowatt per month of billing demand.

**ENERGY CHARGE:** 9.57 mills for each kilowatthour for all energy delivered as firm power service. An additional charge of 7.23 mills per kilowatthour (mills/kWh), for a total of 16.80 mills/kWh, will be assessed for all energy delivered as firm power service that is in excess of 60 percent monthly load factor and within the delivery obligations under the provisions of the power sales contract.

**BILLING DEMAND:** The billing demand will be as defined by the power sales contract

Adjustments:

For Character and Conditions of Service:

Customers who receive deliveries at transmission voltage may in some instances be eligible to receive a 5 percent discount on capacity and energy charges when facilities are provided by the customer that result in a sufficient savings to the United States to justify the discount. The determination of eligibility for receipt of the voltage discount shall be exclusively vested in the United States.

For Billing of Unauthorized Overruns:

For each billing period in which there is a contract violation involving an unauthorized overrun of the contractual firm power and/or energy obligations, such overrun shall be billed at 10 times the above rate.

For Power Factor:

None. The customer will be required to maintain a power factor at all points of delivery between 95-percent lagging and 95-percent leading.

**EXHIBIT 4**

UNITED STATES DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION

PICK-SLOAN MISSOURI BASIN PROGRAM-EASTERN DIVISION  
IOWA, MINNESOTA, MONTANA, NEBRASKA, NORTH DAKOTA, SOUTH DAKOTA

SCHEDULE OF RATES FOR FIRM PEAKING POWER SERVICE

Effective:

The first day of the first full billing period beginning on or after January 1, 2004, through December 31, 2008.

Available:

Within the marketing area served by the Eastern Division of the Pick-Sloan Missouri Basin Program.

Applicable:

To the power and energy delivered to customers as firm peaking power service.

Character:

Alternating current, 60-hertz, three-phase, delivered and metered at the voltages and points established by contract.

Monthly Rate:

**DEMAND CHARGE:** \$3.70 per kilowatt per month of the effective contract rate of delivery for peaking power or the maximum amount scheduled, whichever is greater.

**ENERGY CHARGE:** 9.57 mills for each kilowatthour for all energy scheduled for delivery without return.

**BILLING DEMAND:** The billing demand will be the greater of (1) the highest 30-minute integrated demand measured during the month up to, but not in excess of, the delivery obligation under the power sales contract, or (2) the contract rate of delivery.

Adjustment:

For Billing of Unauthorized Overruns:

For each billing period in which there is a contract violation involving an unauthorized overrun of the contractual obligation for peaking capacity and/or energy, such overrun shall be billed at 10 times the above rate.